

DECEMBER 2001 TAX FACTS

SUMMARY OF GENERAL FUND REVENUES

	<u>December 2001</u>	Fiscal Year <u>Total</u>
Individual Income Tax		
Net Collections	\$207,766,082	\$1,023,053,386
Percent Change	(11.0%)	(3.3%)
Corporate Income Tax		
Net Collections	\$52,351,185	\$168,589,918
Percent Change	(61.8%)	(45.4%)
Transaction Privilege, Severance & Use Taxes		
Net Collections	\$230,535,650	\$1,457,733,765
Change	(3.4%)	(0.5%)
Total Big Three Tax Types		
Net Collections	\$490,652,917	\$2,649,377,069
Percent Change	(19.5%)	(6.4%)

TAX FACTS

December 2001

INDIVIDUAL INCOME TAX

Individual Income Tax Receipts

	December 2001	December 2000	% Change
Gross Collections	\$38,439,004	\$59,107,677	(35.0)
Withholding	208,972,030	210,605,193	(0.8)
Refunds	(4,488,571)	(3,205,531)	40.0
Urban Revenue Sharing	(35,156,381)	(33,037,720)	6.4
Net Collections	\$207,766,082	\$233,469,619	(11.0)

	Fiscal Year Total (01/02)	Fiscal Year Total (00/01)	% Change
Gross Collections	\$169,947,472	\$192,253,240	(11.6)
Withholding	1,166,598,702	1,151,910,631	1.3
Refunds	(102,554,502)	(87,720,105)	16.9
Urban Revenue Sharing	(210,938,286)	(198,226,320)	6.4
Net Collections	\$1,023,053,386	\$1,058,217,446	(3.3)

Included in the refund amounts above are refunds relating to the alternative fuel vehicle income tax credit. In December \$2,412,055 in alternative fuel vehicle credits were processed. After offsetting \$379,108 in tax liability, refunds for this credit totaled \$2,032,947. This amount does not include withholding and estimated payments returned to taxpayers because their liability was covered by the alternative fuel vehicle credit. Additional refunds were paid out of corporate income tax.

Individual Income Tax Document Count

In calendar year 2000, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	140EZ	OTHER	TOTAL
#	38,571	1,334,940	74,284	107,508	57	41,476	332,144	15,867	185,561	1	2,130,409
%	1.8	62.7	3.5	5.0	0.0	1.9	15.6	0.7	8.7	0.0	

In calendar year 2001 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	140EZ	OTHER	TOTAL
#	42,230	1,419,869	78,331	109,903	17	48,503	315,165	14,853	181,876	0	2,210,747
%	1.9	64.2	3.5	5.0	0.0	2.2	14.3	0.7	8.2	0.0	

The 2,210,747 returns filed through December 2001 compares to 2,130,409 returns filed during the same period of time in 2000 for an annual increase of 3.8%. This count represents multiple tax years. For tax year 2000 filed in 2001, 2,120,884 returns have been filed, this represents a 3.9% increase from 1999 returns filed in 2000 during the same period of time.

Year-Over-Year Comparison of Resident Taxpayers

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made from taxpayers who have filed for both calendar years to be compared and who have indicated the same marital status on the tax returns for both years. The Department of Revenue has received 1,466,937 returns in calendar year 2001 for tax year 2000 from filers who also have returns on record from calendar year 1999 with the same marital status. On average, these filers experienced a 6.4% growth in FAGI and an 7.3% increase in tax liability. More specifically, 32.9% of these filers experienced a decrease in tax liability; on average a decrease of 44.3% with a corresponding

average decrease in FAGI of 25.1%. Filers showing an increase in tax liability totaled 833,451 or 56.8%, with an average FAGI increase of 32.5% and an average tax liability increase of 61.9%.

Average Individual Income Tax Refund

Beginning with calendar year 2001 taxpayers that opt to file their returns electronically were given the option to direct deposit their refund. The figures shown below for calendar year 2001 include direct deposits.

	Average	Number
2001 CYTD	\$655.12	1,362,045
2000 CYTD	\$558.97	1,339,405
% Change	17.2%	1.7%

"New" Filers in Calendar Year 2001

Table 1 attached to this report, presents the number of "new" returns filed in calendar year 2001. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 239,848 "new" returns have been filed thus far in 2001, representing approximately 287,665 persons, not including dependents. The average Federal Adjusted Gross Income for these 239,848 returns is \$19,759, with an average tax liability of \$353. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 18.8% had a married filing joint filing status, 7.5% claimed a 65 And Over Exemption and 31.4% claimed dependents.

Individual Income Tax Estimated Payments

Beginning in 1990, individuals are required to make estimated payments to Arizona if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year. The total estimated payments on the 140ES for tax year 1999 was \$344.6 million, for an average of \$1,684. A total additional \$57.2 million in estimated payments was received as refunds on the 1998 tax returns applied to 1999 estimates, for an average of \$1,712. Estimated payments received through December for tax year 2001 were as follows:

12/01	140ES payment	\$9,343,087	Cumulative	\$216,326,373
12/00	140ES payment	\$13,385,686	Cumulative	\$220,213,556
	Percent change	(30.2%)		(1.8%)
12/01	Average payment	\$1,296	Cumulative	\$1,245
12/00	Average payment	\$1,824	Cumulative	\$1,288
	Percent change	(28.9%)		(3.3%)
12/01	Applied refund	\$1,993,826	Cumulative	\$65,260,904
12/00	Applied refund	\$460,744	Cumulative	\$62,117,618
	Percent change	332.7%		5.1%
Total 12/01		\$11,336,913	Cumulative	\$281,587,277
Total 12/00		\$13,846,430	Cumulative	\$282,331,174
	Percent change	(18.1%)		(0.3%)

Withholding

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from January 2000 through March 2001, \$544,546,230 was received for the first quarter of 2000. The latest complete quarter (15 months of information has been compiled) is the fourth quarter of 2000, which shows a growth rate of 5.6% in withholding payments over the fourth quarter of 1999. Growth in quarters for which information is still being gathered is as follows:

1 st Quarter 2001	3.3%	3 rd Quarter 2001	5.0%
2 nd Quarter 2001	3.5%	4 th Quarter 2001	(3.1%)

The comparisons made above were against the same number of months of collections in the previous year. In other words, the third month of information available for the fourth quarter of 2001 was compared against the third month of collections for the fourth quarter of 2000. Current choices for withholding are 0%, 10%, 17%, 20%, 22%, 28% or 32% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

Property Tax Credits

Arizona allows a refundable property tax credit if you are age 65 or older or if you received Title 16, SSI payments. Additionally, your household income must be below \$3,751 if you live alone, or \$5,501 if you live with another person, to qualify for this credit. The maximum credit is \$502.

	Number	Amount	Average
Calendar Year 2001	14,578	\$4,649,020	\$318.91
Calendar Year 2000	15,874	\$4,989,360	\$314.31
% Change	(8.2%)	(6.8%)	1.5%

Clean Elections

As a result of the November 1998 voter approval of the Citizens Clean Elections, Arizona's income taxpayers can make a donation to the Citizens Clean Elections Commission through an income tax check-off or through a voluntary donation. Since the voter approval was not validated by the Federal Elections Commission until mid 1999, the 1998 tax forms did not carry these options. For tax year 1999, filed in 2000 and later, these options are available.

	December 2001	Year to Date
Check Off	\$3,370	\$2,321,948
Voluntary Donation	(\$1,860)	\$41,539
Number of Returns	454	315,395

Contributions on the Individual Income Tax Return

Through December 2001, individual income tax return filers have made the following contributions:

	Number	Amount	Average
Wildlife	10,643	\$168,468	\$15.83
Child Abuse	12,302	\$197,665	\$16.07
Special Olympics	5,712	\$81,299	\$14.23
Neighbors Helping	3,319	\$38,637	\$11.64
AID to Education	457	\$22,040	\$48.23
Domestic Violence Shelter	8,794	\$139,186	\$15.83
Democratic Party	690	\$13,929	\$20.19
Republican Party	526	\$14,846	\$28.22
Libertarian Party	98	\$2,091	\$21.34
Reform Party	3	\$35	\$11.67
Green Party	186	\$2,534	\$13.62
Natural Law	8	\$151	\$18.88

CORPORATE INCOME TAX

Corporate Income Tax Receipts

	December 2001	December 2000	% Change
Gross Collections	\$92,808,054	\$143,283,083	(35.2%)
Refunds	(\$40,456,869)	(\$6,261,718)	546.1%
Net Collections	\$52,351,185	\$137,021,365	(61.8%)

	Fiscal Year Total (01/02)	Fiscal Year Total (00/01)	% Change
Gross Collections	\$273,734,099	\$388,370,992	(29.5%)
Refunds	(\$105,144,181)	(\$79,817,809)	31.7%
Net Collections	\$168,589,918	\$308,553,183	(45.4%)

Included in the refund amounts shown above are refunds for the alternative fuel vehicle credit program. In December, \$0.2 million in corporate alternative fuel vehicle refunds was paid out; for the fiscal year, the total is \$4.9 million.

Corporate Estimated Payments

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

December 2001	\$67,764,788	Calendar Year Total	\$407,442,166
December 2000	\$108,471,690	Calendar Year Total	\$544,326,181
% Change	(37.5%)	% Change	(25.1%)

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for December 2001 and for the fiscal year.

Size of Payment →	Less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,000 and more	Total	% chg
December 2001	418	50	65	18	10	1	562	(21.3)
December 2000	519	73	93	19	8	2	714	
CY 2001	2,905	326	384	78	54	2	3,749	(10.5)
CY 2000	3,136	430	471	77	72	3	4,189	

Corporate Refunds

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 00/01 by corporate fiscal year. For example, in FY 00/01, 9.7% of the refund dollars paid were for corporate fiscal years ending in 1996 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	96 & Prior	97	98	99	00	01
FY 00/01	12.5%	5.9%	3.0%	65.0%	13.4%	0.1%
Corporate Fiscal Year-End:	97 & Prior	96	99	00	01	02
FY 01/02	8.3%	2.7%	3.3%	75.9%	9.8%	0.0%

The corporate refunds shown above are those refunds for which a check is mailed to the corporation. Sometimes corporations choose to apply their refund as an estimated payment. The following table present information on refunds applied as estimated payments in the most recent month and for the calendar year.

December 2001	\$12,418,389	Calendar Year Total	\$111,250,315
December 2000	\$15,443,023	Calendar Year Total	\$113,409,259
% Change	(19.6%)	% Change	(1.9%)

Corporate Income Tax Document Count

The Arizona Department of Revenue received 98,543 corporate returns showing a fiscal year-end of 1999. The type of return received is indicated below:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	352	45,142	46,163	342	6,544
%	0.4	54.6	44.6	0.3	6.6

Through December 2001, 101,808 documents have been received for a fiscal year-end of 2000, distributed as follows:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	317	41,156	49,831	343	10,161
%	0.3	40.4	48.9	0.3	10.0

The figures shown above for the 2000 returns are most meaningful when compared to 1999 returns received during the same period of time in the previous year. Through December 2000, the Arizona Department of Revenue received 98,543 documents with a fiscal year-end of 1999. This represents a 3.3% increase in the number of corporate returns received at this point of time in the calendar year.

Urban Revenue Sharing Returned to Cities/Towns

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed is 15.0% of net income tax collections two years earlier. For example, the money being distributed in Fiscal Year 2001/02 is based on net income tax collections in Fiscal Year 1999/2000. Amounts returned for December 2001 are shown on Table 2, at the end of this report.

TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES

Transaction Privilege, Severance and Use Tax Receipts

The Arizona transaction privilege and severance tax consists of many categories of tax. These categories include retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non-shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non-shared. In contrast, contracting is 20% distribution base and 80% non-shared. Use tax is 100% non-shared.

At the close of each month, the computer aggregates transaction privilege and severance tax collections by category and calculates total distribution base and non-shared portions. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax and jet fuel use tax. The "Education Tax" below represents a new category beginning with June 2001 collections. This category is in accordance with prop 301 resulting in an additional 0.6% education tax being added to most business classifications. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	December 2001	December 2000	% change
Distribution Base	\$101,431,447	\$100,518,837	0.9
Non shared	192,861,439	188,674,905	2.2
Use Tax	2,690,504	15,348,278	(82.5)
Education Tax	36,231,025	0	N/A
Other Revenues	42,546,250	37,966,084	12.1
Total Collections	\$375,760,666	\$342,508,104	9.7

	Fiscal Year Total (01/02)	Fiscal Year Total (00/01)	% change
Distribution Base	\$605,953,087	\$604,827,438	0.2
Non shared	1,174,905,176	1,158,519,795	1.4
Use Tax	73,870,043	98,879,065	(25.3)
Education Tax	216,209,425	0	N/A
Other Revenues	251,092,462	230,287,831	9.0
Total Collections	\$2,322,030,194	\$2,092,514,128	11.0

Distribution of Transaction Privilege, Severance and Use Tax Receipts

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund with the exception of mining severance tax. All of the non-shared revenue and use tax is deposited into the general fund. Therefore, the "Retained By State" figure presented below includes all non-shared portion of transaction privilege tax, use tax and 34.49% of the distribution base collections. The Education tax is distributed in accordance with prop 301. "Other" revenues are returned to the administering authority.

	December 2001	December 2000	% change
Retained by State	\$230,535,650	\$238,713,726	(3.4)
Returned to Counties	41,089,879	40,706,825	0.9
Returned to Cities	25,357,862	25,121,469	0.9
Education Tax	36,231,025	0	N/A
Other	42,546,250	37,966,084	12.1
Total Collections	\$375,760,666	\$342,508,104	9.7

	Fiscal Year Total (01/02)	Fiscal Year Total (00/01)	% change
Retained by State	\$1,457,733,765	\$1,465,053,590	(0.5)
Returned to Counties	245,493,039	245,603,269	0.0
Returned to Cities	151,501,502	151,569,438	0.0
Education Tax	216,209,425	0	N/A
Other	251,092,462	230,287,831	9.0
Total Collections	\$2,322,030,194	\$2,092,514,128	11.0

Transaction Privilege and Severance Tax Collections By Class

	Tax Rate	December 2001	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	5.6	\$238,262	(19.5)	\$1,351,748	(34.7)
Non-Metal Mining/Oil & Gas	3.125%	463,710	(13.6)	3,311,158	(8.9)
Utilities	5.6%	20,263,547	1.9	165,008,101	2.3
Communications	5.6%	12,804,843	1.1	72,060,002	0.7
Railroads/Aircraft	5.6%	74,915	(47.2)	1,103,729	43.4
Private Car/Pipelines	5.6%	28,358	(85.0)	143,453	(72.5)
Publishing	5.6%	(1,749,985)	N/A	1,182,720	(60.5)
Printing	5.6%	1,399,553	(21.2)	8,961,622	(12.0)
Restaurants/Bars	5.6%	25,498,217	1.7	150,675,958	2.0
Amusements	5.6%	3,095,044	(4.4)	15,693,603	(6.0)
Commercial Lease	0%	(16,628)	N/A	201,730	(94.6)
Rental of Personal Property	5.6%	14,429,119	2.1	90,293,777	2.0
Contracting	3.75% - 5.6%	51,570,560	17.4	300,086,554	5.7
Feed Wholesale	Repealed	377	N/A	(7,282)	N/A
Retail	5.6%	158,938,395	0.2	929,861,400	0.9
Mining Severance	2.5%	14,886	N/A	177,229	(93.6)
Timber Severance	\$2.13/\$1.51 per 1000 board ft	21	(78.1)	13,541	N/A
Hotel/Motel	5.5%	6,856,238	(13.6)	38,253,389	(12.3)
Membership Camping	5.6%	7,307	(7.7)	43,419	25.7
Use/Use Inventory	5.6%	2,690,504	(82.5)	73,423,632	(25.7)
Rental Occupancy Tax	3.0%	20,294	72.6	74,077	26.1
Jet Fuel Tax	\$.0305/\$.0105 gal	332,775	(15.7)	2,242,659	(2.1)
Telecommunications Devices:	1.1				
Telecom. Fund for the Deaf	----	542,819	30.5	3,257,373	33.1
Poison Control Fund	----	200,769	30.5	1,204,782	33.1
911 Wireline/Excise *	\$0.37 monthly per activated service	1,337,138	94.8	7,260,566	81.0
911 Wireless Service *	\$0.37 monthly per activated service	595,480	246.7	3,190,997	222.2
Agriculture Equipment	0%	6,834	N/A	21,044	N/A
Total		\$299,643,352	(2.1)	\$1,869,090,980	(0.1)

The Use/Use Inventory category shown on the previous page includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the Department.

* Effective July 1, 2001, the 911 taxes have changed. What was formerly called 911 Excise tax at 1.25% is now 911 Wireline at \$0.37 per month for each activated service. Additionally, 911 Wireless Service has also been changed from \$0.10 per month for each activated service to \$0.37.

Transaction Privilege and Severance Tax Taxable Sales By Class¹

	December 2001	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	\$4,765,249	(19.5)	\$27,034,951	(34.7)
Non-Metal Mining/Oil & Gas	14,838,718	(13.6)	105,957,040	(8.9)
Utilities	405,270,949	1.9	3,300,162,026	2.3
Communications	256,096,853	1.1	1,441,200,050	0.7
Railroads/Aircraft	1,498,293	(47.2)	22,074,576	43.4
Private Car/Pipelines	567,162	(85.0)	2,869,069	(72.5)
Publishing	(34,999,709)	N/A	23,654,392	(60.5)
Printing	27,991,067	(21.2)	179,232,445	(12.0)
Restaurants/Bars	509,964,341	1.7	3,013,519,164	2.0
Amusements	61,900,889	(4.4)	313,872,054	(6.0)
Commercial Lease	(2,907,393)	N/A	15,334,060	(91.3)
Rental of Personal Property	288,582,375	2.1	1,805,875,547	2.0
Contracting	1,031,411,203	17.5	6,001,731,108	5.8
Feed Wholesale	80,345	N/A	(1,552,625)	N/A
Retail	3,178,767,908	0.2	18,597,227,999	0.9
Mining Severance	595,424	N/A	7,089,152	(93.6)
Timber Severance	10	(84.5)	767,589	N/A
Hotel/Motel	124,658,868	(13.6)	695,516,158	(12.3)
Membership Camping	146,136	(7.7)	868,373	25.7
Use/Use Inventory	53,686,416	(82.5)	1,472,188,774	(25.5)
Rental Occupancy Tax	676,450	72.6	2,469,229	26.1
Agriculture Equipment	683,398	N/A	2,104,398	N/A
Total	\$5,924,274,951	(2.4)	\$37,029,195,527	(0.8)

Telecommunications Devices, 911 Excise and 911 Wireless Service classifications previously listed in the collections table, are not elements of calculated taxable income and therefore, are not included in the above table. The Use/Use Inventory category shown above does not include jet fuel use tax. Since the jet fuel use tax is a gallonage tax, this too can not be computed as taxable income. A comparison can be made of gallons of jet fuel on which Arizona jet fuel tax or jet fuel use tax was paid. In December 2001, 11,113,395 gallons of jet fuel were taxed, a 16.2% decrease from the 13,257,514 reported for December 2000. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

Accounting Credit

Effective to taxable periods beginning from and after July 1, 1995, a credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. The amount of accounting credits claimed in December 2001 was \$1,172,088 12.3% increase from the \$1,043,543, claimed in December 2000. Accounting credits claimed-to-date in FY 01/02 equals \$7,797,627 a 7.7% increase from the \$7,238,434 a claimed during the same period in FY 00/01.

¹These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

Taxable Sales by SIC Code Range

The taxable sales by SIC (Standard Industrial Classification) Code ranges are an indicator of business occurring for that type of retail sale. Certain limitations must be understood when using this information.

The Department of Revenue assigns a SIC code to a business based on its primary type of business activity. A grocery store would be assigned a SIC code of 5411. A business that deals primarily with dairy products would have a SIC code of 5451. A problem arises with businesses which derive revenue from multiple business activities. For example, a store like Fry's might be considered both a grocery store and a department store; however, all revenue would be reported under only one of the two possible codes. In summary, an accurate description of what this information represents would be: "These figures represent taxable retail sales for those businesses which have a primary SIC code falling within one designated range."

If the taxable sales for these ranges were added together, the total would not equal retail taxable sales. This is again due to the primary SIC code assignment. There are businesses making retail sales which do not have a primary retail SIC code.

<u>SIC Code</u> <u>Range</u>	<u>Description</u>	<u>December 2001</u>	<u>December 2000</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$181,333,776	\$159,643,069	13.6
5311-5399	general merchandise stores	311,009,204	380,158,929	(18.2)
5411-5499	food stores (no food sales)	239,779,931	253,244,093	(5.3)
5511-5521	motor vehicle dealers	616,651,163	538,765,478	14.5
5531-5599	misc. automotive, motorcycle & boat stores	147,215,998	138,685,709	6.2
5611-5699	apparel & accessory stores	220,810,381	216,028,199	2.2
5712-5733	furniture, home furnishings & equipment stores	177,912,037	186,002,253	(4.3)
5912-5949	misc. retail stores	239,096,033	234,567,147	1.9
TOTAL		\$3,178,767,908	\$3,172,783,581	0.2

<u>SIC Code</u> <u>Range</u>	<u>Description</u>	<u>December 2001</u>	<u>December 2000</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$1,086,868,907	\$988,101,006	10.0
5311-5399	general merchandise stores	1,627,488,100	1,801,057,420	(9.6)
5411-5499	food stores (no food sales)	1,423,899,629	1,480,920,049	(3.9)
5511-5521	motor vehicle dealers	3,879,897,637	3,408,461,547	13.8
5531-5599	misc. automotive, motorcycle & boat stores	964,241,393	922,363,688	4.5
5611-5699	apparel & accessory stores	1,084,027,353	1,065,838,895	1.7
5712-5733	furniture, home furnishings & equipment stores	963,006,852	1,023,830,555	(5.9)
5912-5949	misc. retail stores	1,193,221,240	1,206,274,817	(1.1)
TOTAL		\$18,597,227,999	\$18,423,292,319	0.9

Transaction Privilege and Severance Tax Returned to Counties

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for December 2001 is shown in the County Share column.

	Dist. Base Collections	County Share	% of Total	FYTD County Share	% Chg
Apache	\$213,121	\$308,513	0.8	\$1,899,186	(21.0)
Cochise	1,528,804	750,427	1.8	4,393,070	(5.5)
Coconino	2,344,116	1,060,312	2.6	6,974,284	(3.3)
Gila	675,149	328,833	0.8	2,038,144	(5.1)
Graham	320,798	191,239	0.5	1,163,129	(3.9)
Greenlee	126,487	132,540	0.3	919,373	(39.9)
La Paz	232,120	121,001	0.3	708,670	0.6
Maricopa	68,822,093	26,472,321	64.4	158,059,386	1.8
Mohave	2,537,909	1,090,164	2.7	6,426,090	0.2
Navajo	1,347,560	637,132	1.6	4,054,694	1.5
Pima	15,553,762	6,271,953	15.3	37,093,648	(3.7)
Pinal	1,671,454	1,016,568	2.5	6,042,851	(1.8)
Santa Cruz	630,566	270,329	0.7	1,568,093	(1.8)
Yavapai	3,048,782	1,360,143	3.3	8,146,330	(1.6)
Yuma	2,378,726	1,078,403	2.6	6,006,092	8.0
Total	\$101,431,447	\$41,089,879		\$245,493,039	0.0

Transaction Privilege and Severance Tax Returned to Cities/Towns

The portion of transaction privilege and severance tax returned to each incorporated city or town for December 2001 is shown on Table 3, attached to this report.

County Tax Collections

The following county-imposed tax collections were received by the Department of Revenue during December 2001 and returned to the counties. County taxes in all but Coconino County are imposed at 10% of the state transaction privilege tax rate. Coconino's Excise Tax is 10% of the state rate, and its Jail Tax is 6% of the state rate. The stadium tax was imposed at 5% of the state rate. This rate completed its run in December 1997. Collections received now should be for prior periods. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

	Road Tax	Excise Tax	Jail Tax	Rental Car Surcharge	Stadium Tax	RV Surcharge	Hospital Tax	Capitol Projects	Tourism Authority
Apache		\$72,106							
Cochise		\$446,542							
Coconino		\$664,399	\$397,950						
Gila	\$210,950	\$207,289					\$0		
Graham		\$97,006							
Greenlee		\$38,397							
La Paz		\$67,115	\$67,114						
Maricopa	\$22,076,248		\$8,159,463	\$450,933	\$18,139				\$1,281,711
Mohave		\$340,444							
Navajo		\$400,330							
Pima				\$110,079		\$16,926			
Pinal	\$552,893	\$541,232							
Santa Cruz		\$173,140							
Yavapai		\$910,872	\$361,417						
Yuma		\$676,840	\$676,754					\$669,941	

OTHER TAXES

Luxury Taxes

The following revenues were received from luxury taxes in December 2001. The table compares the receipts to December 2000 and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	December 2001	December 2000	% Change
Spirituos	\$2,215,827	\$2,434,873	(9.0)
Vinous	1,106,557	877,726	26.1
Malt	1,881,982	1,600,639	17.6
Cigarette	11,399,114	12,050,924	(5.4)
Other Tobacco	297,067	282,496	5.2
Tobacco Licenses	150	225	(33.3)
Total	\$16,900,697	\$17,246,883	(2.0)

	Fiscal Year Total (01/02)	Fiscal Year Total (00/01)	% Change
Spirituos	\$10,314,148	\$10,295,808	0.2
Vinous	4,339,220	3,907,641	11.0
Malt	10,889,068	10,693,505	1.8
Cigarette*	77,319,482	77,386,641	(0.1)
Other Tobacco	1,797,371	1,693,333	6.1
Tobacco Licenses	1,775	4,950	(64.1)
Total	\$104,661,064	\$103,981,879	0.7

*Through December 2001, \$393,800 of Cigarette and Tobacco tax collections has been allocated for administrative expenses and is not reflected in fiscal year collections.

General Fund revenues from luxury taxes:

	December 2001	FY (01/02)
Spirituos	\$1,551,079	\$7,219,903
Vinous	276,186	1,082,712
Malt	470,495	2,722,266
Cigarette	3,114,084	21,467,786
Other Tobacco	46,045	278,593
Tobacco Licenses	150	1,775
Total	\$5,458,040	\$32,773,035

Other dedicated revenues from luxury taxes:

	December 2001	FY (01/02)
Correction Fund revenues	\$2,371,835	\$12,634,852
Health Care Fund revenues	8,100,746	54,408,411
Wine Promotional Fund revenues	1,812	8,372
Drug Treatment & Education Fund revenues	692,719	3,461,575
Corrections Revolving Fund revenues	275,546	1,374,819

Estate Tax

	December 2001	\$5,448,025	Fiscal year To Date	\$51,286,508
	December 2000	\$10,470,920	Fiscal year To Date	\$40,969,523
% Change		(48.0%)	% Change	25.2%

Private Car

	December 2001	\$8,914	Fiscal year To Date	\$1,507,255
	December 2000	\$1,037	Fiscal year To Date	\$1,348,730
% Change		(759.6%)	% Change	11.8%

Bingo

	December 2001	\$46,176	Fiscal year To Date	\$312,997
	December 2000	\$39,576	Fiscal year To Date	\$317,999
% Change		16.7%	% Change	(1.6%)

Unclaimed Property

	December 2001	\$2,021,711	Fiscal year To Date	\$29,750,249
	December 2000	\$715,604	Fiscal year To Date	\$17,391,461
% Change		182.5%	% Change	71.1%

Please note that some totals throughout Tax Facts may not add due to rounding.

SOURCE: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS, ARIZONA DEPARTMENT OF REVENUE

TABLE 1
“New” Returns Filed in 2001 for Tax Year 2000
Through December 2001

Federal Adjusted Gross Income Bracket	Number of Returns	% of Total	Average FAGI	Average Tax Due	CHARACTERISTICS OF TAXPAYERS					
					% Married Joint	% Single	% Unmarried Head	% Married Separate	% Over 65	% With Dependents
Negative FAGI	1,447	0.6%	-\$28,067	\$1	22.1%	68.1%	5.6%	4.2%	15.2%	12.4%
\$0-\$5,000	54,197	22.6%	\$2,726	\$1	3.0%	87.5%	8.5%	1.0%	2.6%	11.6%
\$5,000-\$10,000	52,258	21.8%	\$7,370	\$31	6.7%	72.7%	19.1%	1.5%	5.6%	25.8%
\$10,000-\$15,000	36,049	15.0%	\$12,371	\$97	13.9%	54.5%	29.6%	2.0%	9.1%	39.6%
\$15,000-\$20,000	26,438	11.0%	\$17,324	\$179	21.7%	45.7%	29.8%	2.8%	10.3%	43.1%
\$20,000-\$25,000	17,212	7.2%	\$22,335	\$299	24.9%	43.7%	27.7%	3.8%	8.6%	43.9%
\$25,000-\$30,000	11,634	4.9%	\$27,350	\$428	28.7%	43.6%	22.9%	4.8%	8.2%	41.9%
\$30,000-\$40,000	14,187	5.9%	\$34,489	\$597	36.7%	39.7%	19.0%	4.6%	8.9%	41.7%
\$40,000-\$50,000	8,309	3.5%	\$44,613	\$827	47.9%	34.1%	14.6%	3.3%	11.5%	43.0%
\$50,000-\$75,000	10,419	4.3%	\$60,311	\$1,212	62.0%	25.5%	10.0%	2.6%	13.8%	43.6%
\$75,000-\$100,000	3,828	1.6%	\$85,494	\$1,897	71.1%	19.3%	7.5%	2.1%	15.8%	43.9%
\$100,000-\$200,000	2,994	1.2%	\$132,323	\$3,530	70.8%	21.2%	5.7%	2.3%	19.0%	40.1%
\$200,000-\$500,000	686	0.3%	\$287,449	\$9,934	64.8%	25.3%	6.9%	3.0%	19.5%	36.4%
\$500,000-\$1,000,000	122	0.1%	\$667,531	\$38,392	62.6%	25.2%	7.3%	4.9%	30.9%	30.9%
\$1,000,000 and over	68	0.0%	\$2,203,686	\$107,300	48.6%	41.4%	5.7%	4.3%	28.6%	27.1%
Total	239,848		\$19,759	\$353	18.8%	59.7%	19.2%	2.3%	7.5%	31.4%

NEW RETURNS FILED IN 2000 FOR TAX YEAR 1999

Total	223,341		\$18,902	\$336	18.9%	60.2%	18.5%	2.4%	7.5%	30.2%
--------------	----------------	--	-----------------	--------------	--------------	--------------	--------------	-------------	-------------	--------------

“NEW” Returns means that there was no return filed by the taxpayer in the previous filing year. This may or may not mean the filer is new to the state.

TABLE 2
Urban Revenue Sharing Returned to Cities/Towns
December 2001

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,762,689	202,705
Eagar	\$35,070	4,033	Surprise	268,249	30,848
Springerville	17,148	1,972	Tempe	1,379,377	158,625
St. Johns	28,427	3,269	Tolleson	43,253	4,974
<u>Cochise County</u>			Wickenburg	44,192	5,082
Benson	40,966	4,711	Youngtown	26,174	3,010
Bisbee	52,958	6,090	<u>Mohave County</u>		
Douglas	124,455	14,312	Bullhead City	293,650	33,769
Huachuca City	15,226	1,751	Colorado City	28,992	3,334
Sierra Vista	328,485	37,775	Kingman	174,517	20,069
Tombstone	13,079	1,504	Lake Havasu City	364,686	41,938
Willcox	32,462	3,733	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	42,757	4,917
Flagstaff	459,957	52,894	Pinetop-Lakeside	31,148	3,582
Fredonia	9,009	1,036	Show Low	66,914	7,695
Page	59,210	6,809	Snowflake	38,783	4,460
Williams	24,714	2,842	Taylor	27,618	3,176
<u>Gila County</u>			Winslow	82,784	9,520
Globe	65,097	7,486	<u>Pima County</u>		
Hayden	7,757	892	Marana	117,881	13,556
Miami	16,835	1,936	Oro Valley	258,266	29,700
Payson	118,437	13,620	Sahuarita	28,192	3,242
Winkelman	3,852	443	South Tucson	47,740	5,490
<u>Graham County</u>			Tucson	4,232,254	486,699
Pima	17,296	1,989	<u>Pinal County</u>		
Safford	80,280	9,232	Apache Junction	276,649	31,814
Thatcher	34,975	4,022	Casa Grande	219,344	25,224
<u>Greenlee County</u>			Coolidge	67,706	7,786
Clifton	22,574	2,596	Eloy	90,219	10,375
Duncan	7,061	812	Florence	148,299	17,054
<u>La Paz County</u>			Kearny	19,557	2,249
Parker	27,305	3,140	Mammoth	15,322	1,762
Quartzsite	29,166	3,354	Superior	28,296	3,254
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	312,033	35,883	Nogales	181,552	20,878
Buckeye	56,845	6,537	Patagonia	7,661	881
Carefree	25,453	2,927	<u>Yavapai County</u>		
Cave Creek	32,418	3,728	Camp Verde	82,184	9,451
Chandler	1,535,519	176,581	Chino Valley	68,132	7,835
El Mirage	44,105	7,609	Clarkdale	29,757	3,422
Fountain Hills	175,960	20,235	Cottonwood	79,819	9,179
Gila Bend	17,218	1,980	Jerome	2,861	329
Gilbert	953,907	109,697	Prescott	295,119	33,938
Glendale	1,902,753	218,812	Prescott Valley	204,656	23,535
Goodyear	164,447	18,911	Sedona	88,628	10,192
Guadalupe	45,462	5,228	<u>Yuma County</u>		
Litchfield Park	33,131	3,810	San Luis	133,238	15,322
Mesa	3,446,811	396,375	Somerton	63,184	7,266
Paradise Valley	118,820	13,664	Wellton	15,905	1,829
Peoria	942,315	108,364	Yuma	674,058	77,515
Phoenix	11,487,589	1,321,045			
Queen Creek	37,531	4,316	TOTAL	\$35,156,381	4,045,436

TABLE 3
Transaction Privilege and Severance Tax Returned to Cities/Towns
December 2001

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,270,609	202,705
Eagar	\$25,280	4,033	Surprise	193,363	30,848
Springerville	12,361	1,972	Tempe	994,303	158,625
St. Johns	20,491	3,269	Tolleson	31,178	4,974
<u>Cochise County</u>			Wickenburg	31,855	5,082
Benson	29,530	4,711	Youngtown	18,867	3,010
Bisbee	38,174	6,090	<u>Mohave County</u>		
Douglas	89,711	14,312	Bullhead City	211,673	33,769
Huachuca City	10,976	1,751	Colorado City	20,898	3,334
Sierra Vista	236,784	37,775	Kingman	125,798	20,069
Tombstone	9,427	1,504	Lake Havasu City	262,878	41,938
Willcox	23,399	3,733	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	30,821	4,917
Flagstaff	331,554	52,894	Pinetop/Lakeside	22,453	3,582
Fredonia	6,494	1,036	Show Low	48,234	7,695
Page	42,681	6,809	Snowflake	27,956	4,460
Williams	17,814	2,842	Taylor	19,908	3,176
<u>Gila County</u>			Winslow	59,674	9,520
Globe	46,924	7,486	<u>Pima County</u>		
Hayden	5,591	892	Marana	84,973	13,556
Miami	12,135	1,936	Oro Valley	186,167	29,700
Payson	85,374	13,620	Sahuarita	20,322	3,242
Winkelman	2,777	443	South Tucson	34,413	5,490
<u>Graham County</u>			Tucson	3,050,758	486,699
Pima	12,468	1,989	<u>Pinal County</u>		
Safford	57,869	9,232	Apache Junction	199,419	31,814
Thatcher	25,211	4,022	Casa Grande	158,111	25,224
<u>Greenlee County</u>			Coolidge	48,805	7,786
Clifton	16,272	2,596	Eloy	65,033	10,375
Duncan	5,090	812	Florence	106,899	17,054
<u>La Paz County</u>			Kearny	14,097	2,249
Parker	19,682	3,140	Mammoth	11,045	1,762
Quartzsite	21,024	3,354	Superior	20,397	3,254
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	224,924	35,883	Nogales	130,869	20,878
Buckeye	40,976	6,537	Patagonia	5,522	881
Carefree	18,347	2,927	<u>Yavapai County</u>		
Cave Creek	23,368	3,728	Camp Verde	59,241	9,451
Chandler	1,106,856	176,581	Chino Valley	49,112	7,835
El Mirage	47,695	7,609	Clarkdale	21,450	3,422
Fountain Hills	126,838	20,235	Cottonwood	57,536	9,179
Gila Bend	12,411	1,980	Jerome	2,062	329
Gilbert	687,610	109,697	Prescott	212,732	33,938
Glendale	1,371,571	218,812	Prescott Valley	147,524	23,535
Goodyear	118,539	18,911	Sedona	63,886	10,192
Guadalupe	32,770	5,228	<u>Yuma County</u>		
Litchfield Park	23,882	3,810	San Luis	96,042	15,322
Mesa	2,484,583	396,375	Somerton	45,545	7,266
Paradise Valley	85,650	13,664	Wellton	11,465	1,829
Peoria	679,254	108,364	Yuma	485,885	77,515
Phoenix	8,280,659	1,321,045	TOTAL	\$25,357,862	4,045,436
Queen Creek	27,054	4,316			

*The Office of Economic Research & Analysis
Arizona Department of Revenue
1600 W. Monroe
Phoenix, AZ 85007*